## FOR IMMEDIATE RELEASE

Wednesday, March 23, 2005 Contact: Lindsey Capps (202) 225-5065

REP. PETE STARK REACTS TO MEDICARE TRUSTEES' REPORT

WASHINGTON, DC — Today, the Medicare Trustees released their report on the projected solvency of Medicare. While the projected date for insolvency has moved from 2019 to 2020, it is essentially status quo in relation to last year's report since both are 15-year projections.

Following is the reaction of Rep. Pete Stark (D-CA), Ranking Democrat on the Ways and Means Health Subcommittee, to the release of the 2005 Medicare Trustees' Report:

" According to the Trustees, Medicare's outlook is essentially unchanged. However, if you look at historical projections, President Bush has presided over an unprecedented drop in solvency. Taken in that context, the Republican drive to privatize Medicare clearly endangers the program's future," said Rep. Pete Stark (D-CA).

In reaction to the news that the Medicare Modernization Act's so-called "45 percent trigger" has not yet been reached, Stark said the following, "While I am pleased that the trigger has not yet been pulled on Medicare's financing, I am deeply disturbed that the Trustees felt they had to highlight this artificial mechanism that is designed to erode Medicare's guarantee. If the trigger is pulled, it will lead to massive benefit cuts or cuts in provider payments. It is an unproductive, political approach to Medicare's financing."

Stark continued, " Our experience with Medicare proves that Republicans are not to be trusted with guaranteed benefit programs. First, they manufacture a crisis. Then they withhold key information on costs and effects of proposed solutions. After laying that groundwork, they pursue a partisan approach that relies on privatization and which increases federal spending while undermining the program's financial status. That's exactly what they've done to Medicare. Now they want to turn to Social Security, " said Stark.

**CHART:** Medicare Trust Fund Solvency

FACT SHEET: Republican Privatization Agenda Erodes Solvency